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Dear Fellow Floridians:

To help accelerate Hurricane Michael recovery efforts in the Florida Panhandle, I've recently announced an extension of continuing education deadlines for licensed insurance professionals.

When insurance professionals can continue their work in the field - instead of stopping to complete office work - more Hurricane Michael insurance claims can be paid out faster. We will keep looking for ways to get government out of the way and help Floridians get back on their feet and back to normal as quickly as possible.

Continuing education deadlines are set by the licensee's birthday month, and any licensee with a deadline in October, November, or December will receive a 3-month extension to complete their continuing education requirements. October 31 deadlines will be extended to January 31, 2019; November 30 deadlines to February 28, 2019; and December 31 deadlines to March 31, 2019. Currently, more than 125,000 insurance claims have been filed following Hurricane Michael, totaling estimated losses of more than \$3.4 billion. Fifty-six thousand of those claims remain open, further proving the necessity of allowing insurance agents, adjusters and customer representatives to focus on their post-storm work.

The extension applies only to insurance professional licensees who had continuing education (CE) deadlines during the months of October, November and December, 2018, including insurance adjusters, agents and customer representatives. No form or application process is required to be approved for this extension. Our Division of Insurance Agent & Agency Services is updating its online database to automatically reflect the updated deadline.

To learn more, please visit www.myfloridacfo.com/division/agents.

Sincerely,

Jimmy Patronis
Chief Financial Officer
State of Florida



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News You Can Use

CFO Jimmy Patronis Announces Arrest of Clearwater Roofer for Nearly \$50,000 in Theft and Insurance Fraud

Chief Financial Officer (CFO) Jimmy Patronis announced the arrest of Terry Wayne LaCoste, owner of Terry W. LaCoste Weathertight Systems, Inc. and David E. Gilliland, Inc., after allegedly attempting to defraud multiple homeowners out of more than \$49,000 and working without workers' compensation insurance.

CFO Jimmy Patronis said, "It is shameful for crooked contractors to take advantage of Floridians while you are simply trying to protect your biggest investment, your home. Fraud like this also steals work from honest businesses and drives up insurance rates for everyone. Remember to always verify before you buy and ensure that the contractor you're hiring is reputable and has the proper insurance coverage before allowing them to start work on your property."

CFO Patronis' Bureau of Workers' Compensation Fraud received a tip from the Pinellas County Consumer Protection, Clearwater Police Department and the Pinellas County Sheriff's Office regarding complaints against LaCoste. Investigations revealed that LaCoste victimized a total of six homeowners by making them pay deposits up-front for roofing work. LaCoste either never started on the job or never finished the contracted work. In total, the victims had a financial loss of \$49,447 combined. The investigation also revealed that LaCoste was working without the proper workers' compensation insurance coverage.

LaCoste was arrested on December 18 and transported to the Pinellas County Jail without incident. He faces charges of organized scheme to defraud, theft/misappropriation of construction funds, and working without workers' compensation insurance coverage. If convicted on all charges, LaCoste faces up to 15 years in prison.

CFO Jimmy Patronis Announces Arrest of Jacksonville Elementary School Principal for Insurance Fraud

Chief Financial Officer (CFO) Jimmy Patronis announced the arrest of Darrell Perry, Principal of Timucuan Elementary in Jacksonville, in an alleged attempt to commit over \$16,000 in insurance fraud related to Hurricane Irma. Perry attempted to defraud State Farm Insurance Company for damages claimed to be sustained during Hurricane Irma.

CFO Jimmy Patronis said, "Lying about hurricane damage while many Floridians lost everything during Hurricane Irma is sickening. Insurance fraud takes money from Florida families with legitimate claims and drives up insurance rates for us all. As many Floridians recover from Hurricane Michael that impacted our state one month ago, I want to put everyone on notice: If you choose to commit insurance fraud to make a quick buck, you will be thrown in jail."

Investigations revealed Perry submitted fraudulent and altered repair invoices to State Farm Insurance Company requesting \$16,042 in reimbursements due to alleged damages to his home from Hurricane Irma. Investigators found that Perry altered two of the invoices and fabricated another for fake repairs that never occurred.

Perry turned himself in to the Clay County Sheriff's Office on November 16. If convicted, he faces up to five years in prison.

CFO Jimmy Patronis: Citizens Rate Hike a Sad Result of Deceptive AOB Practice

Florida Chief Financial Officer (CFO) Jimmy Patronis released the following statement regarding the vote by the Citizens Property Insurance Corporation Board of Governors to increase rates by an average of 8.3 percent statewide. CFO Patronis has two appointees on the Board and appoints the Chair.

"It's concerning that Citizens was unable to find solutions to address nonweather water losses and increased litigation as requested of them in June. These two factors are the major cost drivers increasing insurance rates in our state across the entire industry. Out of the lawsuits Citizens is involved in, 36 percent are related to assignment of benefits. Abuse of assignment of benefits has become a deceptive practice, aimed to lure consumers into a false sense of security.

"While I look forward to seeing if Citizens' managed repair program actually helps this multi-faceted problem, it's clear that these rate drivers need a more surgical approach. Blanket solutions won't fix increasing insurance rates for Florida families. It's important that Floridians are protected from the bad actors who prey on vulnerable situations and try very hard to pry money from your pocket.

"We need to bring everyone to the table - that includes insurers, attorneys, contractors, and state leaders - to find the best solutions to addressing this mounting problem."

CFO Jimmy Patronis Announces arrest of Miami Man for Pocketing \$60,000 in Fake Insurance Premiums from Commercial Truckers

Chief Financial Officer (CFO) Jimmy Patronis announced the arrest of Kenny Niebla, owner and operator of Andoba Trucking Company and Sea Trucking in Hialeah, after allegedly selling fraudulent insurance coverage with certificates of insurance totaling nearly \$60,000 to three local commercial truckers.

CFO Jimmy Patronis said, "Pocketing insurance premiums for your own financial gain is despicable. It puts the victim in the dangerous position of going without proper insurance coverage, and puts unsuspecting drivers in a financially risky position. If you choose to commit fraud to make a quick buck, my office will find you and make sure you pay the price."

Investigators revealed that Niebla had been collecting monthly insurance premium payments from three victims spanning between October 2017 and June 2018. Records indicated that Niebla had received \$59,675 in premium payments from which were never applied towards any insurance policy as promised. Niebla instead kept the funds for his own self gain and as a result, the commercial vehicles were unknowingly being operated uninsured. The fraud scheme was discovered when one of the commercial trucks was involved in an accident causing over \$78,000 in uninsured damage.

Niebla was arrested without incident on November 30, 2018 and transported to the Turner Guilford Knight Correctional Center on several counts of grand theft, insurance funds diversion, uttering forged instruments, and organized scheme to defraud. If convicted on all counts, he faces up to 20 years in prison.

CFO Jimmy Patronis Updates on Hurricane Michael Recovery

Florida Chief Financial Officer (CFO) and State Fire Marshal Jimmy Patronis has been on the ground in the Panhandle affected counties since Hurricane Michael made landfall. He has been in constant communication with emergency management, local, state, and federal officials to assist with anything they may need. CFO Patronis is focused now on stopping post-storm fraud and urges Floridians to call his Insurance Help Line at 1-877-MY-FL-CFO to report anything suspicious.

CFO Jimmy Patronis said, "Hurricane Michael devastated the Florida Panhandle. I've witnessed firsthand the amazing strides these resilient

communities have made towards recovery. I want the nation to know that the Panhandle is open for business and we are on our way back and will be stronger than ever.”

URBAN SEARCH AND RESCUE TEAMS

- CFO Jimmy Patronis’ Division of State Fire Marshal oversees activation of [Florida’s Urban Search and Rescue Teams](#). At peak, there were 2,420 personnel deployed from all over Florida and 12 different states.
- Searches are 100 percent complete.
- CFO Patronis met with Task Force 1, Task Force 3, Task Force 4, and Task Force 5.
- Combined Urban Search and Rescue efforts exceeded Hurricane Irma response by 30 percent.

INSURANCE VILLAGES & ANTI-FRAUD STRIKE TEAMS

- Constant boots on the ground in all affected counties.
- CFO Patronis’ Disaster Fraud Action Strike Teams are on the ground, raising awareness about post-storm fraud and searching for anyone trying to prey on residents.
- CFO Patronis’ Disaster Fraud Action Strike teams [removed three unlicensed contractors](#) conducting business in Leon, Gadsden, and Gulf counties. The contractors are banned from soliciting or conducting any work in Florida pending a full investigation.
- CFO Patronis’ teams are continuing to investigate reports of potential fraud in Bay, Gulf, Washington, and Leon counties. Unlicensed activity can put homeowners and contractors at risk and opens the door to fraud. Consumers should always verify that contractors have the appropriate licenses, including workers’ compensation coverage, before they hire a company to assist in repairs after a storm.
- CFO Patronis hosted an insurance village in Marianna on Monday, October 22 until Tuesday, October 23. There were 17 insurance companies on hand to assist residents.
- CFO Patronis hosted an insurance village in Tallahassee on Thursday, October 18. There were 18 insurance companies on hand to assist residents.
- CFO Patronis hosted an insurance village in Bay County on Tuesday, October 16 until Friday, October 19, serving nearly 1,000 people. There were more than 44 insurance companies and FEMA on hand to assist residents with any insurance or financial assistance questions. T-Mobile, AT&T, and Verizon were also present at the insurance village.
- Insurance consumer experts were on the ground in Liberty and Gadsden counties on Saturday, October 20 to assist residents with the insurance claims process.
- There are teams from CFO Patronis’ Office and Insurance Commissioner David Altmaier’s Office in Bay County, Wakulla County, Franklin County, Gulf County, Washington County, Jackson County, Liberty County, Calhoun County, Holmes County, and Taylor County.
- CFO Patronis’ and Commissioner Altmaier’s Offices attended multiple townhall meetings in Washington, Liberty, Holmes and Jackson Counties the last two weeks to discuss recovery efforts with community leaders and residents.
- Before the storm hit, CFO Patronis and Commissioner Altmaier [hosted a conference call with major insurance carriers](#) in the Panhandle, putting

them on notice so that they would be ready to serve Florida families after Hurricane Michael.

INSURANCE CLAIMS

- There are 125,356 insurance claims associated with Hurricane Michael – this number will grow.
- Estimated \$3,430,014,424 in insured losses.
- As of November 14th, there were 3,189 Citizens Property Insurance Corporation claims estimated at \$142 million.

EMERGENCY/LICENSED ADJUSTERS

- Florida currently has 93,108 licensed and appointed adjusters.
 - There are also 3,642 emergency adjusters available to respond to Hurricane Michael claims (in addition to the 93,108).
-

As Hurricane Season Ends, Efforts to Secure Flood Coverage Should Not

As the 2018 Atlantic Hurricane Season ended, Florida Insurance Commissioner David Altmaier and Chief Financial Officer (CFO) Jimmy Patronis are reminding consumers that now is not the time to be complacent when protecting yourself from the impacts of flooding. Consumers are urged to take action now to review their insurance policies, understand their coverages and secure flood insurance coverage.

As discussions surrounding the future of the federally-administered National Flood Insurance Program (NFIP) continue, OIR has proactively worked alongside CFO Patronis' office to expand Florida's private flood insurance market. As of September 1, 2018, there are 29 insurers eligible to write private primary personal residential flood insurance in Florida writing more than 44,000 policies, a 110 percent increase in policies in force since June 2017. This coverage is usually offered at prices similar to or lower than those of the NFIP, providing more consumer choice and an alternative to the federal program. Additional insurers are pending entry.

Chief Financial Officer Jimmy Patronis said, "While Hurricane Season is coming to an end and the NFIP is set to expire, our flooding risk remains and everyone should make sure they are covered. Florida has been the leader when it comes to flood mitigation and fostering private market solutions. Flooding can happen anywhere and anytime and there are many policy options available to protect your home and business. Do not wait until it's too late."

Commissioner Altmaier said, "Catastrophic flooding is not limited to the six-month hurricane season or how close in proximity one's home is to the coast. Due to the unique geography of our state, flooding poses a serious threat to virtually every homeowner and can occur at a moment's notice at any time. In fact, FEMA has reported that more than 20 percent of flood claims come from properties outside of flood zones."

A basic homeowners' insurance policy typically does not provide coverage for flooding and this coverage must be purchased separately through a private insurance company or the NFIP. Flood insurance coverage can often be purchased directly from a consumer's existing insurance agent or company. For a list of private market flood insurance writers in Florida, [visit this link](#).

For more information on ways to protect yourself from flood damage, please visit [OIR's Hurricane Season Resources](#) webpage, CFO Patronis' [Hurricane Season Preparedness](#) webpage, or contact CFO Patronis' Insurance Consumer Helpline by calling 1-877 MY-FL-CFO (1-877-693-5236).

CFO Jimmy Patronis' Disaster Fraud Action Strike Team (DFAST) Arrests Unlicensed Contractor Following Hurricane Michael

Chief Financial Officer (CFO) Jimmy Patronis announced the arrest of Ashley Porterfield, owner of Porterfield Building, by his Disaster Fraud Action Strike Force (DFAST) for allegedly conducting unlicensed roofing repairs following Hurricane Michael.

CFO Jimmy Patronis said, "The Panhandle is recovering after Hurricane Michael, but unlicensed contractors could deal another blow to Florida families. Unlicensed activity puts Floridians in danger and takes business away from reputable contractors that follow the law. Before allowing anyone to make repairs, verify they have the required licenses and insurance. While hurricane season ends tomorrow, we will keep working to protect residents and business owners as they rebuild."

While deployed to the Panhandle following Hurricane Michael, CFO Patronis' Disaster Fraud Action Strike Team (DFAST) observed employees of Porterfield Building repairing a damaged roof. Investigators made contact to verify the company had the proper licensure and workers' compensation insurance coverage required by Florida law. It was discovered that Porterfield was not licensed to conduct business in the state.

Porterfield was arrested November 20 and booked into the Bay County Jail on charges of unlicensed contracting, a third-degree felony during a state of emergency. If convicted, Porterfield could face up to 5 years in prison.

More Than One Month After Michael, Insurers Must Step It Up

Florida Chief Financial Officer (CFO) Jimmy Patronis and Insurance Commissioner David Altmaier spoke with insurance company executives

and called on the industry to step up more to aid in Hurricane Michael recovery.

CFO Jimmy Patronis said, "Before Hurricane Michael hit, I put Florida's insurance industry on notice that I expected they would move quickly to help residents recover. Unfortunately, this hasn't been the case all around. My office has noticed several alarming trends since the storm made landfall including delays in processing claims. What is even more troubling is that 13 percent of complaints to my office were related to claim denials.

"To put this into perspective: Hurricane Irma touched almost every county in our state, impacting millions. Thirty days after Irma, we had approximately 200 consumer complaints. Hurricane Michael impacted 12 counties. Thirty days later, we have received more than 100 consumer complaints. There is no reason that we should have this many complaints for an impacted area that is a small fraction of Irma's. It's completely unacceptable.

"My expectations have not changed. In fact, they are even higher. I expect insurers will step it up so that families and businesses can get back to normal. If insurers don't step up, not only will recovery be delayed but consumers will be even more vulnerable to fraud."

Commissioner David Altmaier said, "To be clear; all insurance-related needs held by impacted consumers must be addressed swiftly and without delay. My office continues to work alongside CFO Patronis and the Department of Financial Services to monitor the progress of the post-storm response and we'll continue doing so to ensure residents impacted by Hurricane Michael are protected throughout their path to recovery. Insurance companies must fulfill the promises they've made to their policyholders."

More than 40 company representatives participated in the call. Consumers who have questions about policy coverages or need help filing a claim can call CFO Patronis' free Insurance Consumer Helpline at 1-877-MY-FL-CFO (693-5236).

Florida in Good Financial Position to Recover from Hurricane Michael

Chief Financial Officer (CFO) Jimmy Patronis released the following statement regarding Moody's credit reporting agency's recent report about the financial impact of Hurricane Michael on Florida.

"The news from Moody's Investors Service that Florida will not only weather Hurricane Michael, but our response and resiliency is viewed as a credit positive, is the news that the impacted communities and our state need to hear at this time. Insured losses are more than \$2 billion and while we know that number will climb, Florida is resilient because of our strong economy and fiscal discipline.

"Florida has a AAA credit rating from all three credit rating agencies and we have paid down \$10 billion in debt in the past eight years. Our solid fiscal health has put us in a good position to not only recover but come back stronger than ever. While we are heartened that we will make a great recovery, we want everyone outside the state to know that the Panhandle is open for business and many coastal areas had minimal impact from the storm. Come visit Florida!"

To view Moody's full report, click [here](#).

Understand What You Are Signing During Hurricane Michael Recovery

Chief Financial Officer (CFO) Jimmy Patronis and Florida Insurance Commissioner David Altmaier warn Floridians recovering from Hurricane Michael to use caution when asked to sign any paperwork. You could be signing an Assignment of Benefits (AOB). An AOB transfers the insurance claims rights or benefits of your insurance policy to a third party and it may be presented to a homeowner before repair work begins.

CFO Jimmy Patronis said, "Many of our neighbors in the Panhandle lost everything a week ago to Hurricane Michael and the last thing they need is complications during the rebuilding process. When approached by contractors, homeowners must be extremely careful if asked to sign any financial paperwork, including an AOB. In some cases, AOB's can delay the claims process and your recovery. Be sure to read everything and understand what you are signing before you give away your rights as a homeowner."

Insurance Commissioner David Altmaier said, "Hurricane Michael left widespread devastation in its wake and as a result, our residents are in a vulnerable state of mind. Homeowners must remain vigilant, review any documents they are asked to sign and use caution when signing an AOB. Consumers can always file a claim directly with their insurance company to maintain control of the rights and benefits provided by their insurance policy throughout their recovery."

After assessing damage to your home, restoration professionals may encourage homeowners to sign an AOB. By doing so, you are giving a vendor the right to exclusively communicate with your insurance company, negotiate and endorse insurance claim payments and potentially file a lawsuit against the insurance company, with or without your knowledge.

The following tips will assist homeowners during their recovery:

- Read your insurance policy and understand what your responsibilities are following a loss.
- Contact your insurance company prior to signing any document that may contain an AOB.

- If the homeowner elects to sign the AOB, read everything carefully and do not feel pressured to sign it. Remember, signing an AOB is not your only option.
- Beware of language that allows all proceeds of the claim to be made to anyone other than the homeowner or the homeowner's mortgage company.
- Do not sign the document if there are any blank spaces.

Homeowners should contact their insurance agent, insurance company or CFO Patronis' Insurance Consumer Helpline (1-877-693-5236) for assistance when making repairs after a storm. For more information, please visit CFO Patronis' [Assignment of Benefits](#) webpage or read the Office of Insurance Regulation's [AOB Resources](#).

Unlicensed Contractors Caught Following Hurricane Michael

Florida Chief Financial Officer (CFO) and State Fire Marshal Jimmy Patronis announced three contractors conducting business in Leon, Gadsden, and Gulf counties have been removed from the Panhandle by his Disaster Fraud Action Strike Team for unlicensed activity following Hurricane Michael. The contractors are banned from soliciting or conducting any work in Florida pending a full investigation.

CFO Jimmy Patronis said, "Anyone who tries to take advantage of Florida families and businesses during this vulnerable time will be caught. I can't stress this enough: do not hire anyone without asking for their professional license information and if they have workers' comp insurance.

"Residents and businesses are focused on getting back to normal as quickly as possible, so scam artists are peddling false promises of fast repairs and no hassle. I am working to stop post-storm fraud and throw anyone who commits these crimes in jail."

CFO Patronis' teams are investigating reports of potential fraud in Bay, Gulf, Washington, and Leon counties. Unlicensed activity can put homeowners and contractors at risk and opens the door to fraud. Consumers should always verify that contractors have the appropriate licenses, including workers' compensation coverage, before they hire a company to assist in repairs after a storm.

Tips to Stop Post-Storm Fraud:

- **Beware of Crooked Contractors.** Watch for a contractor or restoration professional who: offers to waive or discount your insurance deductible; has received payment and has failed to provide any repairs; offered to provide repairs at a cash-only discounted rate and has failed to provide repairs; or pressured you to sign an assignment of benefit (AOB) and has failed to provide any repairs to your home or stopped responding to your contact attempts.

- **Don't Sign Anything.** Call your insurance agent, insurance company, or CFO Patronis' Insurance Consumer Helpline (1-877-MY-FL-CFO) before you sign anything, including assignment of benefits agreements.
- **Too Good to Be True? It Probably Is.** If an offer sounds too good, it most likely is. Don't deal with anyone who demands cash up front.
- **Beware of Door-to-Door.** Imposters often go door-to-door claiming to be FEMA representatives, asking for money to assist with the filing of federal flood claims.
- **Check a License.** If you have damage to your home or vehicle, contact your insurance company immediately. Beware of fly-by-night repair businesses and hire only licensed professionals. If you have access to internet, verify a contractor's license at the Florida Department of Business and Professional Regulation's website - www.MyFloridaLicense.com/.

CFO Patronis' Disaster Fraud Action Strike Team was formed in 2017 after Hurricane Irma to stay ahead of post-storm fraud. The Strike Team was activated before Hurricane Michael made landfall and had boots on the ground immediately following the storm.

To report any suspicious activity call CFO Patronis' help line at 1-877-MY-FL-CFO.

CFO Jimmy Patronis Announces 20 Fraud Arrests in Pasco County Joint Crooked Contractor Sting

Florida Chief Financial Officer (CFO) Jimmy Patronis announced the arrest of 20 individuals in "Operation Hot Water," a workers' compensation insurance fraud sting operation involving unlicensed contractors in Pasco County.

CFO Jimmy Patronis said, "Workers' compensation fraud creates an unfair advantage for dishonest businesses and can leave employees at risk and vulnerable. My office has made more than 400 arrests for workers' compensation fraud, an average of one person every day. If you commit workers' comp fraud, we will shut you down. I am proud of the work and partnership between our fraud office and the Pasco County Sheriff's Office on this case."

Pasco County Sheriff Chris Nocco said, "These partnerships and our joint operations are incredibly valuable as they are responsible for keeping our public safe."

Pasco County Sheriff's Office (PSO) and CFO Patronis' Bureau of Insurance Fraud along with the Department of Business and Professional Regulation (DBPR) and the Pasco County Building Department conducted a joint sting operation that caught contractors agreeing to perform work without a license and without workers' compensation insurance coverage. The 20 individuals were arrested for contracting

without a license and failure to secure workers' compensation insurance coverage.

Individuals arrested included: Raul Guidicelli, Frederick John Kloster, Gary Allen Nickell Jr., Michael Anthony Anderson, Ronald Lee Weston Sr., Kenneth Ray Rodgers, Kevin Christopher Burtis, Richard Frank Bruns Jr., James Roberts Wood II, Joseph Martin, Richard Martin, Luis Alberto Medina, Robert Bruce Trotman, Harold "Chuck" Attebery II, Neil T. Myer, Daniel George Griffin, Charbel Tannous, Moshen H. Seuod, Mauricio Chicas and Dennis Disney Garlock.

If convicted, each individual faces up to 5 years in prison per count. To report suspected contractor fraud, call our Fraud Hotline at 1-800-378-0445 or report online at MyFloridaCFO.com. People reporting fraud can remain anonymous.

CFO JIMMY PATRONIS SCAM ALERT: Be on the Look Out for this Scam Artist



Florida Chief Financial Officer (CFO) and State Fire Marshal Jimmy Patronis is searching for a scam artist defrauding local businesses and putting people in harm's way by posing as a fire extinguisher dealer. Pictured above, the alleged criminal is believed to be using the alias Hector Gonzalez.

CFO Jimmy Patronis said, "This kind of fraud not only scams businesses out of money, but it puts Floridians in major danger. If fire extinguisher equipment is not properly inspected and even tampered with, it could cause property damage and loss of life. This criminal must be found and we need your help to find him."

CFO Patronis' Division of Investigative & Forensic Services and Bureau of Fire Prevention investigators are looking for the whereabouts of this individual who poses as a fire extinguisher dealer and uses this tactic to gain access to local businesses. Once inside, he "services" the fire extinguishers charging the business for the fraudulent and unlicensed work. Legitimate fire suppression equipment dealers are certified and carry company credentials. If anyone comes to your business claiming to

be a fire suppression equipment dealer, ask them for proper identification before any work is performed.

If you have information or have been a victim of this individual please contact CFO Patronis' Bureau of Fire, Arson & Explosives Investigations at (954) 321-3704.

CFO Jimmy Patronis: Arrest of Crooked Opioid Treatment Center Owner for \$104,000 Insurance Fraud Underscores Importance of Anti-Fraud Efforts

Chief Financial Officer (CFO) Jimmy Patronis announced the arrest of James Durkin, 39, owner of The Hope Center of Recovery, an opioid treatment facility located in Boynton Beach, Florida, for insurance fraud. Durkin was charged with two counts of organized scheme to defraud for allegedly submitting over \$104,000 in fraudulent insurance billing.

CFO Jimmy Patronis said, "As the opioid crisis continues to grip our nation, it's unconscionable that anyone would use addiction treatment to make a quick buck. Insurance fraud at crooked addiction treatment centers fuels the ongoing opioid epidemic in Florida. Fraud like this takes away from the real work that legitimate opioid treatment homes are doing to help those who need it. Combating fraud at opioid treatment centers will remain one of my top priorities."

A joint investigation between CFO Patronis' Division of Investigative & Forensic Services, Sober Home Task Force of Palm Beach County (SHTF), and the Boynton Beach Police Department (BBPD) revealed evidence that Durkin was falsifying billing information to Cigna and United Health Care for addiction recovery treatments. Treating physicians listed on billing documents were falsified in order to defraud the insurance companies into reimbursing the clinic for addiction treatment services that were never performed.

Durkin surrendered to insurance fraud detectives at the Palm Beach County Jail and faces up to 30 years in prison.

To report suspected fraud, call CFO Patronis' Fraud Hotline at 1-800-378-0445 or report online at MyFloridaCFO.com. People reporting fraud can remain anonymous.



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In The Know

Division's Bureau of Investigation Deployed to Areas Ravaged by Hurricane Michael

Investigators with the Division of Insurance Agent and Agency Services' Bureau of Investigation were called to field duty in the immediate aftermath of Hurricane Michael's landfall in the Florida Panhandle.



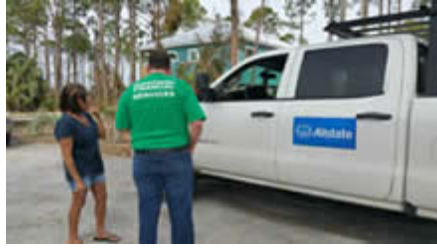
Investigators and staff from the Tallahassee headquarters and field offices were immediately dispatched when conditions improved after landfall to survey the damage and needs of affected consumers in Panhandle cities Mexico Beach, Panama City and Panama City Beach, Marianna, Sneads, Bristol, Blountstown, Gretna, Chattahoochee, Havana and Quincy along with other small rural communities. In addition, bureau teams were sent to the severely impacted coastal communities of Apalachicola, Port St. Joe, Carrabelle and hard-hit areas in the capitol city.

The purpose of the bureau's immediate field work was to contact consumers in need of both Department services and provide them with information for other state and federal agencies such as FEMA, offering assistance and distributing our [Disaster Assistance Brochure](#).

As the licensing and enforcement division of the Department, the team's secondary mission was to ensure only properly licensed and appointed adjusters and other licensees made contact with consumers. Protecting the interests of consumers dealing with the monumental and immediate tasks of recovery and rebuilding is the focus of the Department's mission after a major disaster.



Investigators were stationed at Florida Highway Patrol checkpoints in the most heavily damaged area, Mexico Beach, to check licenses and other identification and confirm licensees had bona fide appointments with consumers. Protecting residents from unwanted solicitation by adjusters, contractors and others in the very difficult first days and weeks after landfall was a priority for state, county, law enforcement and department personnel. Access to the area was restricted to residents, emergency and repair crews and those with clearance or authority to be there.



Investigators refused admission to adjusters unable to provide their Department credentials, valid ID, or proof of a meeting related to insurance business arranged with a consumer's consent.

During our work, we noticed a large number of adjusters failed to carry the proper credentials, and in many cases, appeared to be unaware of the requirement to provide such identification when engaging in adjusting activities with Florida consumers or requested by Department personnel.



Licensees of any type can download a copy of their credentials from their [MyProfile](#) account. A screen shot of the license information would also be helpful. Our new and improved [Licensee Search](#) app on our website allows licensees and others to view important licensing information. We encourage consumers to [verify the license status](#) of any person or entity claiming to hold a license with the Department.

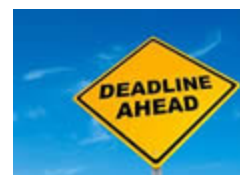


Bureau investigators continue to visit the affected areas and follow up on complaints and incidents falling under our regulatory authority and will maintain a presence throughout the long recovery period.

Title Agencies: Update Your Info for the 2019 Administrative Surcharge

Subsection [624.501\(27\)\(e\)2](#), F.S., requires any title insurance agency licensed in Florida on January 1 of each year to remit an administrative surcharge of \$200 to the Florida Department of Financial Services.

Any title insurance agency licensed in Florida on January 1, 2019, was emailed a reminder earlier this month to the agency's email address on file with the Department. To ensure you receive any follow-up emails, please log in to the [MyProfile](#) account for your title agency and make sure the correct email address is on file. While doing so, we also recommend you do the same for your individual [MyProfile](#) account. Demographic changes made to an agency's profile do not populate the profiles of licensees associated with the agency.



Occasionally we discover agencies that were not aware of the reminder because of the retirement or termination of the employee assigned to monitor the email address provided to the Department. Failure to open the email sent by the Department containing the administrative surcharge reminder does not release an agency from the January 30 deadline. Please verify your information soon so this does not happen to you. If you need our assistance, you may contact us at AgentLicensing@MyFloridaCFO.com to assist you through the steps to update your information. Be proactive; do not procrastinate.

Failure to pay the surcharge on or before January 30, 2019 will result in administrative action which could include a fine, in addition to the original surcharge. Payment must be made securely online via the title agency's [MyProfile](#) account. Paper checks are not accepted.

Recent Updates to Online Licensee Search

The Division has updated its [Licensee Search](#). To see what's new, visit the new licensee search [here](#). In addition to formatting changes, we've added several functions including the following:

- Search for a licensee using their NPN (National Producer Number).
- Search for a licensee by email address.
- Search for an agency by "starts with" or "contains" in case they use a DBA. Before you could only search with what the name started with.
- View valid and invalid license statuses. Before you could only view what active licensees currently held. Now you can view their previous licenses in addition to previous license holders that are no longer valid.
- View valid and invalid appointment statuses. Before you could only view what active licensees currently held. Now you can view their previous appointments.
- Continuing education information.

It's important that licensees update their information in their individual and any business (e.g. agency) [MyProfile](#) accounts to not only be sure they are compliant with Florida law but also so the public can access their current information. **As a reminder, addresses and other contact information are public records.**

Contractors Unlawfully Acting as Adjusters

Since the arrival of Hurricane Michael, we've received complaints about contractors allegedly acting as public adjusters.



Contractors who assist their customers with their insurance claims **may** illegally be engaging in the practice of public adjusting without being properly licensed by the Department. There is a very distinct group of activities which define whether a contractor is truly acting as an adjuster or just cooperating with an insurance company:

The definition of a public adjuster, as explained in [626.854\(1\), F.S.](#), is any person, except an attorney, who, for money or any other thing of value (which would include securing a contract for repairs):

Prepares, completes or files an insurance claim form for an insured.

Aids in any manner on behalf of an insured in negotiating for or effecting the settlement of a claim.

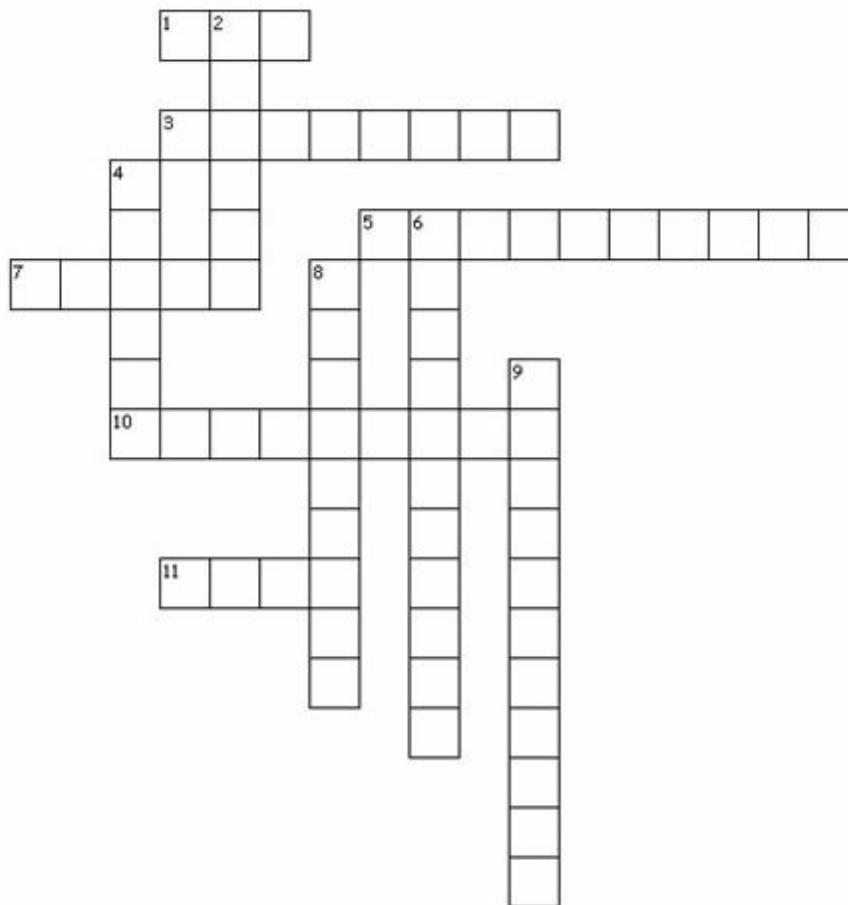
Advertises or solicits for employment as an adjuster of such claims.

A contractor who is determined by the Department to be acting as a public adjuster in any manner is subject to arrest and may be charged with a third-degree felony as provided by section [626.8738, F.S.](#)

Contractors who become licensed as a public adjuster cannot enter into a contract to do both the public adjusting and construction work on the same property, according to section [626.8795, F.S.](#)

The Department of Financial Services will continue to take action against licensed contractors for illegally acting as a public adjuster or advertising the services performed by a public adjuster without being licensed.

Can You Puzzle it out?



Across

1. An _____ transfers insurance claim rights or benefits to a third party.
3. The Division has updated its _____ Search App
5. A _____ is allegedly posing as a fire extinguisher dealer.
7. Disaster _____ Action Strike Team
10. Title Administrative _____ is due January 30th
11. According to Moody's Florida is in a _____ financial position to recover from Hurricane Michael.

Down

2. The owner of an _____ treatment center was arrested for over \$104,000 in fraudulent insurance claims.
4. There are 117,259 _____ associated with Hurricane Michael.
6. Complaints have been received about _____ acting as adjusters
8. Staff from the Bureau of Investigation was dispatched to _____ cities in the wake of Hurricane Michael.
9. Where did Michael make landfall?

Answer key located on our [Education Central](#) page.



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Education Central

Continuing Education, Consider the "Cost of Ignorance"

Let's face it, completing continuing education comes with a cost.

Whenever reminded of our CE requirement through a Department email, a correspondence from our compliance coordinator, or that little voice in our head, we tend to also be reminded of the time and money it will cost to take a class. Focusing on the cost alone can create temptation to procrastinate or just not "do it".

Let's be reminded the alternative to completing CE on time carries a cost too. That cost tends to be greater.

A former British government statistician and academic professional, Claus Moser, once said, "Education costs money, but then so does ignorance."

Let's consider the cost of not completing your continuing education requirements on time.

Money

- \$250 fine to prevent the termination of appointments
- \$60 for each appointment reinstatement if appointments are terminated
- Any potential fine for violating a law you weren't aware of but would have been had you attended the required 5-hour update course.

Time

- Time calling the department about your situation
- Lost work time and income if appointments are terminated
- Time contacting all your carriers to reinstate any terminated appointments
- Time worrying about paying a fine

After all that, there will still be the cost of taking the required CE classes. Therefore, it behooves licensees to pay the early price rather than the costlier price and complete our CE requirements on time.

Are You Compliant with Your CE or Not?

To be CE compliant requires more than just taking CE courses. Below are a few suggestions for remaining CE compliant:

CE requirements change. You should regularly review your CE status through your [MyProfile](#) account. Your total hours have specific allocation requirements that must be met. Be sure to take all the right categories of CE courses.

Check for late hours. Hours taken after your due date will still post on your compliance evaluation screen, but they will be noted as "Late". Though your hours requirement may have been met, late completion of your continuing education requirement will result in penalties.

Check prior evaluation periods. Always check previous compliance periods to make sure you are not delinquent for a prior period. Be sure to click on VIEW ENFORCEMENT NOTICE just below the Not Compliant text to check for any outstanding fines.

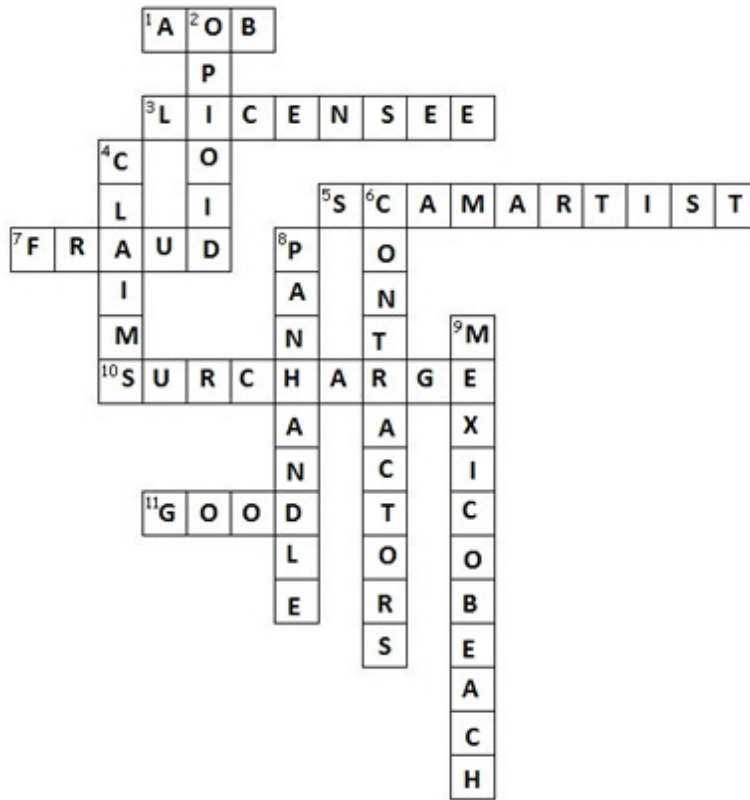
Check your transcript. The same course cannot be taken with the same provider within a two-year period and receive credit. This is noted on your transcript as a duplicate course. You will need to take a different course to meet your CE requirement.

We wish you success in completing your hours to remain knowledgeable in an ever-changing insurance market. And remember, your CE compliance date is your DUE date, not your DO date.



Because many factors may affect your continuing education requirement (e.g. licenses held, number of years licensed, etc.), we encourage you to periodically check your [MyProfile](#) account to determine your individual continuing education compliance requirements and status. You will also be able to find more approved CE courses after logging in to your [MyProfile](#) account versus the public search option, which limits the results to the first 100 course offerings.

Puzzle Answers





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Enforcement Actions - September and October 2018

Some of the following enforcement actions were resolved through a settlement process resulting in an order for discipline. Notification of enforcement actions is in the public interest. While every effort is made to provide correct information, our readers are cautioned to check with the Department before making a decision based upon this listing. This listing does not reflect pending appeals or requests for hearings. The license or registration status may have changed since the filing of these orders. We suggest that you search the [Licensee Search](#) or make a [public records request](#) to verify the current status of any license or registration.



IMPORTANT NOTE: Actions taken before July 1, 2015 are located at [FLDFS Final Orders](#). Actions taken after July 1, 2015, can be searched for at the Florida Division of Administrative Hearings' (DOAH) [website](#). For further information, you may make a public records request via [email](#) or contact the [Public Records Unit](#).

Warning: No part of this listing may be used by a licensee to gain an unfair competitive advantage over any person named herein. Any licensee who does so could be in violation of Section 626.9541(1)(c), Florida Statutes.

Last/Business Name	First Name	License	License Type	Disposition	City, State	Documentation
AVEX TITLE, LLC		W126163	Title Agency	\$2,500 Monetary Penalty	ORLANDO, FL	CONSENT ORDER
BAME	BRADLEE	W318261	Life & Variable Annuity, Health	Revocation	BLAINE, MN	NOTICE OF REVOCATION
BARKER INSURANCE GROUP LLC		L090712	Agency	\$1,500 Monetary Penalty	WELLINGTON, FL	CONSENT ORDER
BARNETT	KELLY	P052935	Life, Health & Variable Annuity	Suspension 6 Months	SARASOTA, FL	CONSENT ORDER

BEJERANO RODRIGUEZ	RODRIGUEZ	W378610	Health	Administrative Surrender	MIAMI, FL	CONSENT ORDER
BRYANT	BRACKIE	W283633	Public Adjuster	Indefinite Suspension	CORAL GABLES, FL	ORDER OF SUSPENSION
CLA COMPANY INC		W262925	Title Agency	\$2,500 Monetary Penalty	ROCKVILLE, MD	CONSENT ORDER
CLOSING PRO'S OF SOUTHWEST FLORIDA		W374558	Title Agency	\$1,500 Monetary Penalty	FORT MYERS, FL	CONSENT ORDER
COAST TITLE OF WEST VOLUSIA, INC		P138551	Title Agency	Suspension 3 Months	DELAND, FL	CONSENT ORDER
COLONIAL TITLE SERVICES INC		A052067	Title Agency	\$2,500 Monetary Penalty	MIAMI, FL	CONSENT ORDER
DIAZ	JUAN	A067686	Motor Vehicle Property Damage Adjuster	Indefinite Suspension	LAKELAND, FL	NOTICE OF TEMPORARY SUSPENSION
DUKES	KAYAYETTA	P236732	Legal Expense, Health, Life & Variable Annuity	Suspension 9 Months	FORT LAUDERDALE, FL	CONSENT ORDER
EADDY	MIRANDA	W475364	Personal Lines	\$1,500 Monetary Penalty, Probation 1 Year	WINDSOR, CT	CONSENT ORDER
ESPINOSA	JORGE	E136012	Public Adjuster	Revocation	MIAMI, FL	NOTICE OF REVOCATION
FINANCIAL DIMENSIONS, INC.		P096517	Title Agency	\$2,500 Monetary Penalty	WEST MIFFLIN, PA	CONSENT ORDER
GONZALEZ	ANGELA	A099915		\$2,500 Monetary Penalty, Probation 1 Year	MIAMI LAKES, FL	CONSENT ORDER
GRIFFIS	VICTOR NEIL	W040347	Bail Bond	Indefinite Suspension	ORLANDO, FL	NOTICE OF TEMPORARY SUSPENSION
GULLETT TITLE INC		A106588	Title Agency	\$2,500 Monetary Penalty	PALATKA, FL	CONSENT ORDER
HALL	PATRICIA	E078323	Life, Health, General Lines	Suspension 6 Months	PENSACOLA, FL	CONSENT ORDER
HARRIS	JENNIFER	P074434	Life, Health & Variable Annuity, General Lines	Revocation	MARY ESTHER, FL	NOTICE OF REVOCATION
HILL	AARON	W189071	Life, Health & Variable Annuity	Indefinite Suspension	WINTER HAVEN, FL	NOTICE OF TEMPORARY SUSPENSION
HINKLE	TIMOTHY	W346306	Life, Health & Variable Annuity	Revocation	LAKE WORTH, FL	NOTICE OF REVOCATION
HOSNER	JAMES	A123589	Life, Health & Variable Annuity, General Lines	Indefinite Suspension	CLEARWATER, FL	NOTICE OF TEMPORARY SUSPENSION
HUSSEY, JR.	BRIAN	P170761	Life, Health & Variable Annuity	Suspension 7 Months	TAMPA, FL	CONSENT ORDER
JURIS TITLE CHARTERED		W403650	Title Agency	\$2,500 Monetary Penalty	FORT LAUDERDALE, FL	CONSENT ORDER
KENGLE	GEORGE	W375753	Life & Variable Annuity	Revocation	SPRINGFIELD, OR	ORDER OF REVOCATION
KRUPNICK	JEFFREY	E063318	Life & Variable	Suspension 6 Months	SARASOTA, FL	CONSENT ORDER

			Annuity			
LAW OFFICE OF RICHARD SHEA, P.C.		W131922	Title Agency	\$1,500 Monetary Penalty	LONDONDERRY, NH	CONSENT ORDER
LUCENA VASQUEZ, SR	JORGE	W384480	Life, Health & Variable Annuity	Suspension 1 Year	DORAL, FL	CONSENT ORDER
MACK	ROBERT	A161636	Life & Health, General Lines	\$2,500 Monetary Penalty, Probation 1 Year	OPA LOCKA, FL	CONSENT ORDER
MCCARTHY	DREW	D057219	Life, Health & Variable Annuity	Revocation	PALM HARBOR, FL	NOTICE OF REVOCATION
METELLUS	MARIE	E068750	Life, Health & Variable Annuity, General Lines	Indefinite Suspension	CAPE CORAL, FL	NOTICE OF TEMPORARY SUSPENSION
MINOR, JR	WILLIAM	A180668	Life, Health & Variable Annuity	Indefinite Suspension	WEST PALM BEACH, FL	NOTICE OF TEMPORARY SUSPENSION
MY CLOSING SOLUTION, LCC		E132321	Title Agency	\$2,500 Monetary Penalty	ORLANDO, FL	CONSENT ORDER
NATIONAL TITLE AND APPRAISAL, INC.		W268759	Title Agency	Administrative Surrender	SANTA ROSA BEACH, FL	CONSENT ORDER
NATIONWIDE TITLE & CLOSING		W080812	Title Agency	Suspension 3 Months	NORTH MIAMI BEACH, FL	CONSENT ORDER
NORTH FLORIDA TITLE & ESCROW, LLC		W320705	Title Agency	Administrative Surrender	JACKSONVILLE, FL	CONSENT ORDER
NUNEZ, SR	LUIS	A193950	Life, Health & Variable Annuity	Revocation	CASSELBERRY, FL	ORDER OF REVOCATION
PARAMOUNT TITLE AGENCY INC		W381058	Title Agency	Administrative Surrender	WESLEY CHAPEL, FL	CONSENT ORDER
PARKER	JOHN	D042035	Life, Health & Variable Annuity	Revocation	OCALA, FL	ORDER OF REVOCATION
PARKOFF MOSKOFF	SHANNON	P117441	Life, Health & Variable Annuity	Suspension 3 Months	BOCA RATON, FL	ORDER OF SUSPENSION
PATWARY	MOHAMMED	W396694	Life, Health & Variable Annuity	Revocation	SEFFNER, FL	NOTICE OF REVOCATION
PEREZ	ILENE	W262567	Health	Revocation	MELBOURNE, FL	ORDER OF REVOCATION
POMERANC	MANDEL	P208196	Public Adjuster	Suspension 3 Months	MIAMI, FL	ORDER OF SUSPENSION
ROSS	BRYANT	W312865	Legal Expense	Revocation	ORLANDO, FL	ORDER OF REVOCATION
SAMUELS	ORLANDO	P086184	Life, Health & Variable Annuity	Revocation	ORLANDO, FL	FINAL ORDER
SANCAPITAL TITLE SERVICES, LLC		W312309	Title Agency	Suspension 3 Months	FORT MYERS, FL	CONSENT ORDER
STRATEGIC NATIONAL TITLE GROUP, LLC		W210234	Title Agency	\$2,500 Monetary Penalty	MCLEAN, VA	CONSENT ORDER
SUMMIT TITLE GROUP, INC.		W294144	Title Agency	Administrative Surrender	ORMOND BEACH, FL	CONSENT ORDER
SUPERIOR TITLE INS AGENCY OF MARION CO		E042025	Title Agency	\$2,500 Monetary Penalty	OCALA, FL	CONSENT ORDER
TAPANES	CESAR	A260723	Motor Vehicle Property	Indefinite Suspension	LAKELAND, FL	NOTICE OF TEMPORARY SUSPENSION

			Damage Adjuster			
TAYLOR	TIFFANY	P038759	Customer Representative	Revocation	BROOKSVILLE, FL	ORDER OF REVOCATION
THOROUGHbred TITLE WEST, LLC		P182067	Title Agency	Suspension 3 Months	LONGWOOD, FL	ORDER OF SUSPENSION
TITLE & TRUST USA, INC.		W210523	Title Agency	\$2,500 Monetary Penalty	HOLLYWOOD, FL	CONSENT ORDER
TITLE EXCHANGE OF PINELLAS INC		E088680	Title Agency	\$2,500 Monetary Penalty	SEMINOLE, FL	CONSENT ORDER
TITLE GUARANTY AGENCY, INC.		E159753	Title Agency	\$2,500 Monetary Penalty	FORT MYERS, FL	CONSENT ORDER
TITLE SECURITY, INC.		E041739	Title Agency	\$1,500 Monetary Penalty	SAINT PETERSBURG, FL	CONSENT ORDER
TOP INSURANCE		L095020	Agency	Administrative Surrender	FORT LAUDERDALE, FL	CONSENT ORDER
ULTRA TITLE ASSOCIATES, LLC		W338025	Title Agency	\$2,500 Monetary Penalty	NAPLES, FL	CONSENT ORDER
WALKER	GERARD	W447391	Public Adjuster	Suspension 3 Months	PHILADELPHIA, PA	ORDER OF SUSPENSION
WEST COAST TITLE AGENCY OF PINELLAS, LLC		W460934	Title Agency	\$1,500 Monetary Penalty	PORT RICHEY, FL	CONSENT ORDER
WHITFIELD	MARVIN	W211100	Bail Bond	\$5,000 Monetary Penalty, Probation 1 Year	JACKSONVILLE, FL	CONSENT ORDER
WILDS	STACIE	W185255	Life, Health & Variable Annuity	Suspension 6 Months	TAMPA, FL	CONSENT ORDER
WINGED FOOT TITLE, LLC		P074151	Title Agency	\$2,500 Monetary Penalty	FORT MYERS, FL	CONSENT ORDER
WORLDWIDE SETTLEMENTS, INC.		P032159	Title Agency	\$1,500 Monetary Penalty	ROCKVILLE, MD	SEARCH

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Continuing Education Deadline Extended to Assist with Hurricane Michael Recovery

To help accelerate Hurricane Michael recovery efforts across Florida, CFO Patronis announced an extension of continuing education deadlines for licensed insurance professionals in Florida.

Continuing education deadlines are set by the licensee's birthday month, and any licensee with a deadline in October, November or December will now have an extended deadline to complete their continuing education requirements. The deadline has been extended three months from the due date; for example, CE requirements due October 1, 2018 are now extended to January 1, 2019.

The extension applies to all insurance professional licensees that require continuing education, including insurance adjusters, agents and customer representatives. No form or application process is required to be approved for this extension. The Department of Financial Services' Division of Insurance Agent & Agency Services is updating its online database to automatically reflect the updated deadline.

To learn more, visit www.myfloridacfo.com/Division/Agents.

Discontinuation of the Florida Hurricane Catastrophe Fund Assessment

Pursuant to a Supplementary Order issued on December 3, 2018 by Florida's Office of Insurance Regulation, effective April 1, 2019, surplus lines policies issued or renewed prior to January 1, 2015 and all related transactions reported to FLSO will not have the FHCF emergency assessment charged or credited.



As a result of this subsequent resolution and Order, the last day to report surplus lines policy data through the FLSO system (SLIP or XML Batch) where the FHCF assessment will be charged or credited is March 31, 2019.

[Read the full bulletin](#) for more information and accounting instructions.

FSLSO Bulletin

OIR Order

Adjuster Compliance - Fee Caps for Emergency Claims

We have received information alleging some public adjusters may be overcharging **Hurricane Michael** victims for handling their emergency claims.

Public adjusters are **prohibited** from charging more than 10 percent of the insurance claim payment on claims based on a declared emergency and 10 percent of the original insurance claim payment **OR supplemental AND reopened** claims made during the first year after the declaration of the emergency. [See [s. 626.854\(10\)\(b\)](#), F.S.]

The fee caps apply only to residential property insurance policies and condominium unit owner policies as defined in [s. 718.111\(11\)](#), F.S.

Violations of the law will result in enforcement action against the licensee, up to and including license revocation.

Emergency Adjusters - Licensing Compliance

The landfall of Hurricane Michael in Florida set off a flurry of licensing activity related to insurance adjusters. The special license class "Emergency Adjuster" was established to allow insurers and adjusting firms to respond to the immediate, increased need for adjusters in the state after a major disaster. Emergency Adjuster licenses are valid for 180 days from the date of the declared emergency, unless a shorter time period is specified.

The Department may grant an extension of Emergency Adjuster licenses IF it determines the need for Emergency Adjusters still exists as described under [69B-220.001\(4\)\(a\)1.](#), FAC

Appointing entities are required to recognize the standard expiration date of the Emergency Adjuster licenses, and take measures to ensure all adjusters hold the appropriate license and appointment(s), e.g. all-lines, personal lines, etc. Because Emergency Adjuster license applications are made by insurers or adjusting firms, licensees may look to the insurer or firm to ensure their license remains in compliance, however, licensees will also be held responsible if they continue to participate in adjusting activities after expiration of their emergency license and appointment.

Information about Emergency Adjuster licensing can be found at [this](#) link. Questions about the process must be sent to AgentLicensing@MyFloridaCFO.com or by calling 850-413-3137.

Charging a Fee for Certificates of Coverage is Prohibited

The Department has noticed an increase in inquiries and seeing more violations related to agents and agencies charging customers for issuing certificates of coverage. There are few costs aside from premium which can be lawfully charged. In some instances, a maximum per-policy fee can be charged by certain licensees for property and casualty policies. Agents and agencies can charge the actual cost as reimbursement for insurer-required motor vehicle report and inspection fees; however, fees for issuing certificates of coverage is not one of them.

Licensees charging for this service will face enforcement action for violating [s. 626.9541\(1\)\(o\)](#), F.S., illegal dealings in premium. We will hold the licensee responsible even if they delegated issue of the certificates to a third party who in turn charges the customer.

The time and expense involved issuing numerous certificates for some customers could become significant; however, under current laws the commissions earned from sale of insurance products is intended to compensate licensees for servicing policy holders after the sale.



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Case Notes

Case: The Financial Industry Regulatory Authority (FINRA) barred a life and health agent because of the sale of annuities to a senior consumer. Analysis of documentation indicated the agent falsified replacement forms by answering "no" on the application and on the agent attestation form when completing the paperwork to surrender an existing contact to fund the new purchase.

The agent continued the misrepresentation of the facts of the sale by indicating the source of the money to fund the new annuity was the consumer's money market account rather than the existing annuity.

The senior consumer incurred surrender charges of \$82,523 and a \$128,164 taxable gain as the exchange was not done appropriately as a 1035 tax - free exchange. The agent was paid more than \$60,000 in commissions. The consumer was "made whole" by the agent's broker-dealer firm and he was required to disgorge all commissions.

Disposition: Suspended one year.

Case: An investigation into the activities of a bail bond agent was initiated after a surety company alleged the agent failed to remit more than \$12,000 in premiums for unreported bail bonds and forfeited a \$10,000 bond. The agent secured another appointment with a different surety company and swore under oath she owed no premium to any other surety company.

During the investigation, investigators found the agent closed her agency location without notifying the Department and was conducting business from her home. The residence did not display any type of sign as required to designate the agency's existence and allow consumers to locate it. Investigators determined the agent had no business bank account, was transacting business in cash only and was using money orders to forward the premium funds to the surety company.

Disposition: License revoked.

Case: A life and health agent lost his insurance company appointments as a result of continuing education (CE) non-compliance. The agent was designated as the agent in charge of his insurance agency. Florida law requires an agency to maintain a designated agent in charge. This case emphasizes the importance of regularly reviewing email correspondence sent from the Department and maintaining accurate email addresses in your [MyProfile](#) account.

When the agent lost his appointments, an automated notification process began to notify the agency to designate a new agent in charge within 60 days or the agency's license would be cancelled. Multiple notices were emailed by Agent Licensing to the agency instructing it to update the designated agent in charge through the agency's MyProfile account.

The agent brought his CE into compliance but failed to designate himself or another qualified agent as the agent in charge of the agency and the agency license was cancelled.

Department investigators found the agent was operating the agency and insurance was being transacted without an agency license in force.

Disposition: Fined \$2,500.

Case: The Department received a complaint from an insurer stating a life and health agent emailed a copy of the company's annual Medicare training test answers to other sales agents.

The agent admitted to investigators he saved the test answers and distributed them to other sales agents. The agent said he scored 100% on the exam and wanted to provide "training" to fellow agents by disclosing the contents of the exam. He felt because he paid for the exam, the test and answers belonged to him, which is not true.

Disposition: Fined \$2,700 and placed on probation for one year.

Case: An investigation was opened to look into the fiduciary activities of an agent after receiving a complaint from a premium finance company. The owner of the agency, a general lines agent and the agent in charge, refused to provide copies of policy declaration pages to document 42 premium finance agreements he and his agency submitted. In addition, the premium finance company never received the unearned premium from the issuing insurance companies, managing general agent or the agency.

Investigators obtained copies of the premium finance contracts, payment drafts, the payment history for each account, ten (10) day intent to cancel notices and cancellation notices for transactions in question from the premium finance company. The outstanding amount due to the premium finance company was in excess of \$300,000.

Investigators attempted to conduct an agency inspection but the owner/agent in charge refused to cooperate with the Department's investigators by providing the records as required by Florida Statutes.

Analysis of the agency's bank records was conducted which revealed all 42 premium drafts were deposited into the agency's bank account. The premium finance company sued the agency and obtained an Order of Default Final Judgment for \$300,000.

All 42 premium finance agreements indicated the policies were issued through Lloyds of London, but the company advised investigators none of the 42 policies had been issued. Lloyds confirmed neither the agent or his agency had the authority to act on their company.

Disposition: Both the agent and the agency licenses were revoked. The agent was later arrested by the Department's Division of Investigative and Forensic Services, Bureau of Insurance Fraud and charged with 38 felony counts of forgery, uttering a forged instrument, grand theft and diversion of insurance funds.

Case: A complaint was received from the Department's Division of Funeral, Cemetery and Consumer Services alleging a life agent was allowing unlicensed persons to sell life insurance policies within funeral homes on his behalf.

Investigators obtained consumer affidavits, conducted agency staff interviews and obtained insurance company documentation to establish the agent routinely recruited unlicensed individuals to sell "pre-need" life insurance policies. To facilitate the scheme, the agent provided a stack of life insurance applications to staff at the funeral home. The unlicensed staff members explained the policy's benefits and cost and obtained the unsuspecting consumers' signatures on applications. The agent then signed the applications and falsely attested that the insureds had signed the applications in his presence.

Disposition: Administrative license surrender.



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Contact Us - We're always here for you

Bureau of Licensing

General inquiries for everybody - Agents, Adjusters and Agencies

AgentLicensing@MyFloridaCFO.com

For education-related questions (prelicensing, continuing education, providers, etc.): Education@MyFloridaCFO.com

[MyProfile](#) - Check your up-to-the-minute application status, education information, and more.

Licensees are reminded to update any change in their name, addresses (including email) or phone numbers by logging in to their [MyProfile](#) account. If you also have an agency license, don't forget to log in to your agency's MyProfile account and update it as well.

*200 East Gaines Street
Larson Building, Room 419
Tallahassee, FL 32399-0319*

Bureau of Investigation

Compliance issues, licensees and insurers ONLY:

Title@MyFloridaCFO.com

For title insurance compliance matters **NOT** related to Licensing or Education.

BailBond@MyFloridaCFO.com

For bail bond compliance matters **NOT** related to Licensing or Education.

Adjusters@MyFloridaCFO.com

For adjuster compliance matters **NOT** related to Licensing or Education.

askDFS@MyFloridaCFO.com

For all other compliance matters **NOT** related to Licensing or Education.

200 East Gaines Street
Larson Building, Room 412
Tallahassee, FL 32399-0320

Title Insurance Data Call

TitleAgencyReporting@flor.com - For questions about the filing process

TitleDataCall@flor.com - For all other questions about the data call

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We welcome your [comments](#) on our new look and [suggestions](#) for any topic you'd like to see highlighted in our newsletter!

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